2ist February the Home Secretary was asked to set up a Committee on which the brewers should be represented, to enquire into the position created by these restrictions, and report to the Cabinet.

The Committee's report, which came before the Cabinet on 22nd March, was in favour of State Purchase, although there were difficulties about estimating the price, owing to the complication introduced by the restrictions; and licensed victuallers were not in favour of purchase, except in Ireland. After extended private discussions with leaders of the Trade, we decided on 3ist May in favour of assuming Government control over the liquor trade, with a view to probable State Purchase after the War. Committees were set up to examine the situation in England and Wales, Scotland, and Ireland, and report on the terms on which control should be acquired.

State Purchase urged

But alcohol is a refractory citizen, and as he has a multitude of friends everywhere he soon made trouble. With the arrival of summer weather, wide-spread discontent began to show itself in harvesters and munition centres and among landworkers at the scarcity of beer and its high price. It was decided to meet this by brewing light beer, and in place of imposing immediate Government control we arranged on 2ist June, 1917, to permit the brewing of 33^- per cent,

Light beer for munition workers

more beer for the next three months, on condition that its alcoholic strength was reduced, and its price correspondingly modified.

This increase in the amount to be brewed was later made permanent, but subject to restrictions on its specific gravity, and to conditions as to a proportion